E.-1.

The total cost of administration was about 17 per cent. of the total income in the case of special classes and about $13\frac{1}{2}$ per cent. in the case of associated classes. It must be remembered, however, that special classes are held at a much greater number of small centres than are associated classes.

Grants in aid of buildings and equipment amounted to £3,503, and the expenditure to £9,295, in the case of special classes. In the case of associated classes the amounts were £6,511 and £9,816 respectively. Grants in aid of rent and material for special classes amounted to £695, the expenditure being £2,071. For associated classes the amounts were £1,675 and £2,890 respectively.

Special grants totalling £2,865 in aid of the maintenance of training classes for teachers in subjects of manual instruction (including science and drawing) taken up in public schools were distributed to Education Boards during the year.

The Science and Art Examinations of the Board of Education, London, and the Technological Examinations of the City and Guilds of London Institute were carried on as usual, the former at fifteen, the latter at eighteen, centres. The number of entries for the Science and Art Examinations was 418, and the number of passes 265; while for the Technological Examinations the number of entries was 444 and the number of passes 290. The proportion of entries to passes was 63 and 65 per cent. respectively.

At the National Art Competitions held by the Board of Education, London, fifteen certificates of commendation were gained by New Zealand Students, as follows: "Elam" School of Art, Auckland, three certificates; Wellington Technical School, seven certificates; School of Art, Christchurch, five certificates. Two book prizes were also awarded to a student of the Wellington Technical School. Twenty-one students' works were also accepted by the Board of Education, London, in connexion with art masters' and art teachers' certificates. Of these, thirteen were forwarded from Auckland and seven from Wanganui.

The following is a summary of the expenditure by the Government on manual and technical instruction during 1912:—

		£	8.	d.	£	B,	d.
Manual instruction—							
Capitation on classes		25,768	10	4			
Subsidies on voluntary contributions		711	11	8			
Grants for buildings, equipment, &c		11,720	7	7			
					38,200	9	7
Technical instruction—							
Capitation-							
Day technical schools		14,807	12	4			
Other classes (including free places)		19,832	5	7			
Subsidies on voluntary contributions		5,560	2	3			
Grants for buildings, equipment, material, &c.		12,906	14	1			
					5 3,1 0 6	14	3
Manual and technical instruction—							
Railway fares, &c., of instructors and students		• •			5,101	19	5
Examinations					684	4	8
Inspection and other expenses	• •	••			1,182	10	3
					£98,275	18	2

This total includes £6,238 from national-endowment revenue.

The total expenditure by way of capitation, subsidies on voluntary contributions, and grants for buildings, &c., was, for manual instruction, £28,968 5s. 6d., and for technical instruction, £49,281 15s. 1d.

Of the total capitation earned by classes during the year, 35.4 per cent. was earned by classes of primary grade, 38.5 per cent. by day classes of secondary grade (i.e., classes in connexion with secondary departments of district high schools, secondary schools, and day technical schools) and 26.1 per cent. by technical and continuation classes (i.e., special, associated, and college classes).